MULTIMEDIA UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

# FINAL EXAMINATION

**TRIMESTER 3, 2022/2023**

## DFA5054 – FINANCIAL ACCOUNTING

(All sections / Groups)

06 OCTOBER 2023

09.00 a.m. – 11.00 a.m.

(2 Hours)

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**INSTRUCTIONS TO STUDENT**

1. This question paper consists of **6** pages with **4** questions only.

2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

## QUESTION 1

### Part A

Qally started her business on 1 March 2023, The Voice. The business is providing a musical class in Melaka. The following transactions were completed during March 2023:

| | |
|---|---|
| March 1 | Qally invested RM120,000 cash into the business. |
| 5 | Purchased RM2,300 of office supplies by cash. |
| 8 | Purchased office equipment of RM24,300, paid RM5,000 by cash and the remaining amount is on account. |
| 11 | Received RM3,800 cash from clients for services performed. |
| 14 | Billed client RM7,200 for services performed. |
| 19 | Qally withdrew RM370 for her son's birthday celebration. |
| 21 | Collected half amount from clients billed on 14 March. |
| 24 | Paid RM10,000 cash for office equipment purchased on 8 March. |
| 30 | Paid the following expenses by cash:<br>i. Salary and wages of RM15,400.<br>ii. Office rental of RM4,900. |

**Required**

(a) Journalise the above transactions. (10 marks)

(b) Post to cash account. (5 marks)

### Part B

Following is the accounting information for Square Berhad on 30 June 2023:

| | **RM** |
|---|---|
| Square, Capital | 200,000 |
| Motor Vehicle | 120,000 |
| Cash | 94,300 |
| Accounts receivable | 28,200 |
| Service revenue | 96,000 |
| Depreciation expense – Motor vehicle | 17,300 |
| Accounts payable | 21,200 |
| Utilities expense | 8,800 |
| Salary and wages expenses | 35,700 |
| Square, Drawings | 5,500 |
| Rental expenses | 4,900 |
| Advertising expense | 2,500 |

**Continued...**

**Required**

(a) Prepare the Trial Balance for June 2023. (6 marks)

(b) Prepare the Statement of Profit or Loss for June 2023. (4 marks)

(Total: 25 marks)

## QUESTION 2

**Part A**

Following is the accounting information gathered from Cabin Berhad for the month of July 2023:

| | RM | | RM |
|---|---|---|---|
| Cash | 63,800 | Salary and wages expenses | 43,800 |
| Cabin, Capital | 300,000 | Supplies | 22,300 |
| Accounts receivable | 81,000 | Prepaid insurance | 6,000 |
| Accounts payable | 77,000 | Prepaid rental | 5,600 |
| Machinery | 187,000 | Lorry | 142,000 |
| Service revenue | 128,000 | Unearned service revenue | 56,000 |
| Rental expenses | 9,500 | | |

Additional information:

i. Prepaid rental expired for the month is RM2,000.
ii. RM2,500 of the unearned service revenue has been earned.
iii. Accrued salary and wages expense for the month is RM20,000.
iv. Annual depreciation for machinery is 10%, and for lorry is 5%.
v. A count of supplies shows the unused supplies for the month is RM14,800.
vi. 30% of the accounts receivable have been collected.
vii. Prepaid insurance is a one-year policy starting 1 June 2023.
viii. Customer made an advance payment to Cabin Berhad for services that will be performed next month of RM3,400.
ix. Income taxes accrued is RM4,200.

**Required**

Journalise the above transactions. (12.5 marks)

*(Note: Show all related workings and round up your figure with no decimal point)*

**Continued...**

**Part B**

Busy Bensy's bank statement for the month of February 2023 showed a balance per bank of RM25,400, while the company's cash account in the general ledger had a balance of RM19,070 on 28 February.

Other information has been gathered and presented as follow:

i. Cash receipts on 28 February recorded on the company's books were RM6,210 but this amount does not appear on the bank statement.

ii. The outstanding cheques are listed below:

| | |
|---|---|
| No. A436 | RM3,700 |
| No. A560 | RM1,800 |
| No. C443 | RM2,790 |

iii. The bank statement shows a debit memorandum for RM120 for cheque printing charges.

iv. The bank statement includes a RM980 deduction from a withdrawal which does not belong to the company. Busy Bensy notified the bank of this error.

v. The bank included a credit memorandum for RM7,650 which represents collection of a customer's note by the bank for the company; principal amount of the note was RM7,400 and interest was RM210. The bank charged a RM40 collection fee. No interest has been accrued.

vi. Cheques received from customers bounced due to insufficient funds as shown on the bank statement for RM2,220.

**Required**

Prepare the bank reconciliation for Busy Bensy as at 28 February 2023. (12.5 marks)

(Total: 25 marks)

**Continued...**

## QUESTION 3

### Part A

Anggerik Enterprise is a wallpaper distributor in Johor Bahru since 1 March 2020. The company uses a perpetual inventory system to record its inventories and the company's credit term is 10/20, n/30. The following merchandising transactions were completed during the month of June 2023:

| | |
|---|---|
| June 3 | Purchased 320 units of wallpaper for RM15 each from Home Décor Berhad on credit terms of 5/10, n/30, FOB shipping point. Freight cost is RM400. |
| 6 | Sold 230 units of wallpaper to Lovely Lace on credit for RM28 each, FOB destination. Freight cost is RM310. |
| 10 | Received 10 units of damage wallpaper returned by Lovely Lace. |
| 11 | Received credit note from Home Décor Berhad for 28 units of wrongly shipped items returned to them. |
| 13 | Make a full payment to Home Décor, less discount. |
| 16 | Sold 50 units of wallpaper to Bingo Star for RM25 each by cash. |
| 26 | Received full payments from Lovely Lace. |

**Required**

Journalise the June transactions using a perpetual inventory system. (13 marks)

### Part B

The selected comparative Statement of Financial Position of United Universe Berhad are presented as follows:

**United Universe Berhad**
**Comparative Statements of Financial Position as at 31 July**

| | 2023 | 2022 |
|---|---|---|
| **Non-current Assets** | **(RM)** | **(RM)** |
| Machinery | 480,000 | 435,000 |
| Motor Vehicle | 235,000 | 180,000 |
| Office Equipment | 108,000 | 88,600 |
| | | |
| **Current Assets** | | |
| Cash | 73,400 | 92,800 |
| Accounts receivable | 45,200 | 70,000 |
| Inventory | 112,000 | 83,000 |
| Prepaid utilities | 21,000 | 16,600 |
| **Total Assets** | **RM1,074,600** | **RM966,000** |

**Continued...**

| | | |
|---|---|---|
| **Equity** | | |
| Share Capital | 620,000 | 500,000 |
| Retained earnings | 190,000 | 245,000 |
| **Long-term Liability** | | |
| Notes payable | 175,000 | 150,000 |
| **Current Liability** | | |
| Accounts payable | 18,300 | 25,700 |
| Salaries and wages payable | 71,300 | 45,300 |
| **Total Equity and Liabilities** | **RM1,074,600** | **RM966,000** |

**Required**

Prepare a horizontal analysis on the Statement of Financial Position data of United Universe Berhad for 2023 using 2022 as base year. (12 marks)

(Total: 25 marks)

## QUESTION 4

### Part A

The adjusted Trial Balance of Malego Berhad at the end of its fiscal year is as follows:

| **Malego Berhad**<br>**Adjusted Trial Balance as at 31 May 2023** | | |
|---|---|---|
| | **Debit (RM)** | **Credit (RM)** |
| Cash | 95,000 | |
| Accounts receivable | 17,800 | |
| Malego, Capital | | 150,000 |
| Office furniture | 65,000 | |
| Accounts payable | | 14,200 |
| Service revenue | | 83,900 |
| Commission revenue | | 6,100 |
| Advertising expenses | 2,800 | |
| Insurance expense | 10,500 | |
| Rental revenue | | 7,500 |
| Supplies expense | 12,300 | |
| Malego, Drawings | 3,000 | |
| Depreciation expense – office furniture | 12,000 | |
| Accumulated depreciation – Office furniture | | 12,000 |
| Salary and wages expense | 45,000 | |

**Continued...**

| | | |
|---|---|---|
| Maintenance expenses | 9,600 | |
| Utilities expense | 4,600 | |
| Unearned service revenue | | 3,900 |
| | **277,600** | **277,600** |

**Required**

(a) Prepare the closing entries. (8 marks)

(b) Prepare a port-closing trial balance as at 31 May 2023. (5 marks)

*(Note: Show all related workings)*

**Part B**

For each of the following, indicate whether the following transactions increased (+), or decreased (-) in an accounting equation (Assets, Liability, and Owner's Equity) with its specific account title:

*Example:*

*Owner made a cash investment of RM50,000 to start the business.*

| ***Asset =*** | ***Liabilities +*** | ***Owner's Equity*** |
|---|---|---|
| *+50,000 (cash)* | | *+50,000 (Owner, Capital)* |

Additional information:

i. Purchased supplies on credit amounted to RM8,700.
ii. Billed customers for services performed of RM6,500.
iii. Paid monthly rental of RM2,300.
iv. Paid supplier RM7,000 for last month's purchase which made on account.
v. Withdrew RM450 cash for personal use.
vi. Received RM3,800 cash for services performed.

(12 marks)

(Total: 25 marks)

**End of Paper**